
STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



INDIANA GOVERNMENT CENTER NORTH
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MEMORANDUM

TO: All School Officials

FROM: Susan Clark, Director, Budget Division

SUBJECT: School Transportation Fund Excess Levy Appeal

DATE: August 13, 2015

Introduction

The purpose of this memorandum is to outline the school corporation transportation fund appeal (IC 20-46-4-10), which is the only excess levy appeal available to school corporations.

Pursuant to IC 20-46-4-10, a school corporation may appeal to the Department of Local Government Finance ("Department") **on or before October 21** for an increase to its transportation fund maximum levy.

To be granted an increase by the Department, a school corporation must establish that the increase is necessary because of a transportation operating cost increase of at least 10% over the preceding year as a result of at least one of the following:

- (1) A fuel expense increase.
- (2) A significant increase in the number of students enrolled in the school corporation that need transportation or a significant increase in the mileage traveled by the school corporation's buses compared with the previous year.
- (3) A significant increase in the number of students enrolled in special education who need transportation or a significant increase in the mileage traveled by the school corporation's buses due to students enrolled in special education as compared with the previous year.
- (4) Increased transportation costs due to compliance with a court ordered desegregation plan.
- (5) The closure of a school building within the school corporation that results in a significant increase in the distances that students must be transported to attend another school building.

In addition, before the Department may grant a maximum levy increase, the school corporation must establish that the school corporation will be unable to provide transportation services without an increase. The Department may grant an excess levy that is less than the increase requested by the school corporation.

The Department can only approve a transportation fund levy (including an excess levy) in an amount that does not exceed that which was initially advertised and adopted by the school corporation. A levy increase resulting from a successful appeal is a permanent increase to the school corporation's transportation fund maximum levy.

Templates are attached to this document for use in requesting a transportation appeal.

Procedures for Filing an Appeal

- 1) The school corporation (or appropriate fiscal body) must include the total amount of the excess levy appeal within the maximum estimated budget levy and on the excess levy appeal line of the Notice to Taxpayers (Budget Form 3). **The appeal amount must be included on both the excess levy appeal line and the estimated transportation fund levy line. Failure to include the appeal levy in both places may result in denial of the appeal.**
- 2) The school corporation (or appropriate fiscal body) adopts the school corporation's budgets, rates, and levies for the following year on or before November 1 as required by IC 6-1.1-17-5, and after compliance with all notice and other procedural requirements.
- 3) **Appeal petitions are sent to the Department's Indianapolis office on or before October 21.**
- 4) The Department will review the appeal and make a final decision. The school corporation will be notified of the Department's final action.

School corporation officials must file the following information with the appeal:

- 1) **A copy of Budget Form 3 (Notice to Taxpayers) for the ensuing budget year;**
- 2) **the school board resolution authorizing the appeal;**
- 3) **a completed appeal application (see the attached templates; ALL FIELDS MUST BE COMPLETED); and**
- 4) **any other information supporting the appeal.**

Contact Information

If you have any questions, please contact Assistant Budget Director Dan Jones at djones@dlgf.in.gov or (317) 232-0651.

RESOLUTION

The School Board of the _____ School Corporation,
_____ County, State of Indiana, has determined to file for an excess
levy appeal.

The School Corporation requests an increase to its transportation fund maximum levy in the
amount of _____.

To seek an increase to the transportation fund maximum levy pursuant to IC 20-46-4-10 due to
transportation cost increases of at least ten percent (10%) over the preceding year, the governing
body of said school corporation hereby resolves to proceed with a petition for an excess levy to
the Department of Local Government Finance.

Adopted this _____ day of _____, _____.

FOR	AGAINST
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

ATTEST: _____

2015 TRANSPORTATION FUND APPEAL (IC 20-46-4-10)

School Corporation Name: _____

County: _____

Amount requested: \$ _____ **Tax rate impact: \$** _____

I. Did the school board advertise through the Notice to Taxpayers (Budget Form 3) and adopt a levy and tax rate high enough to allow for an excess levy appeal?

Y _____ **N** _____

(Please provide a copy of the Form 3 with the appeal documentation.)

II. The need for a levy increase is due to (check one or more, as appropriate):

☐ **FUEL EXPENSE INCREASE:**

2015 Gallon _____ x per Gallon Price _____ = _____

2014 Gallon _____ x per Gallon Price _____ = _____

Increase _____

(Est. 2016 Gallon _____ x per Gallon Price _____ = _____)

☐ **SIGNIFICANT INCREASE IN NUMBER OF STUDENTS TRANSPORTED OR MILES TRAVELED BY BUSES TRANSPORTING STUDENTS:**

2015 Students Transported _____ 2015 Miles Traveled _____

2014 Students Transported _____ 2014 Miles Traveled _____

Difference _____ Difference _____

(Est. 2016 Students Transported _____ Est. 2016 Miles Traveled _____)

☐ **SIGNIFICANT INCREASE IN NUMBER OF SPECIAL EDUCATION STUDENTS TRANSPORTED OR MILES TRAVELED BY BUSES TRANSPORTING SPECIAL EDUCATION STUDENTS:**

2015 Special Education Students Transported _____

2014 Special Education Students Transported _____

Difference _____

(Est. 2016 Special Education Students Transported _____)

2015 Special Education Miles Traveled _____

2014 Special Education Miles Traveled _____

Difference _____

(Est. 2016 Special Education Miles Traveled _____)

☐ CHANGE IN TRANSPORTATION COSTS DUE TO COURT-ORDERED DESEGREGATION PLAN:

2015 Transportation Expenses under Plan _____
 2014 Transportation Expenses under Plan _____
 Difference _____
 (Est. 2016 Transportation Expenses under Plan _____)

☐ CLOSURE OF A SCHOOL BUILDING WITHIN THE SCHOOL CORPORATION THAT RESULTS IN A SIGNIFICANT INCREASE IN THE DISTANCES STUDENTS MUST BE TRANSPORTED TO ANOTHER SCHOOL BUILDING:

2015 Miles Traveled _____ Date of closure _____
 2014 Miles Traveled _____
 Building that closed _____
 (Est. 2016 Miles Traveled _____)

Please complete the following sections to provide more detail about this appeal:

III. Has the school corporation added any new transportation positions during the last three years? Y _____ N _____

If yes, please provide a list of positions and costs.

Position	Year Added	Salary	Benefits	Total Costs
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

IV. Assessed valuation growth during the last five years:

Year	Assessed valuation	Percentage +/- from previous year
2010 p 2011	_____	_____
2011 p 2012	_____	_____
2012 p 2013	_____	_____
2013 p 2014	_____	_____
2014 p 2015	_____	_____

V. Student Count (ADM)

Year _____	Reg. Ed.	Special Ed.	Voc. Ed.	# Bus Routes
A. Eligible Pupil Count	_____	_____	_____	_____
B. Round Trip Mileage	_____	_____	_____	_____
C. Linear Density (A/B)	_____	_____	_____	_____

Year _____	Reg. Ed.	Special Ed.	Voc. Ed.	# Bus Routes
A. Eligible Pupil Count	_____	_____	_____	_____
B. Round Trip Mileage	_____	_____	_____	_____
C. Linear Density (A/B)	_____	_____	_____	_____

Year _____	Reg. Ed.	Special Ed.	Voc. Ed.	# Bus Routes
A. Eligible Pupil Count	_____	_____	_____	_____
B. Round Trip Mileage	_____	_____	_____	_____
C. Linear Density (A/B)	_____	_____	_____	_____

Year _____	Reg. Ed.	Special Ed.	Voc. Ed.	# Bus Routes
A. Eligible Pupil Count	_____	_____	_____	_____
B. Round Trip Mileage	_____	_____	_____	_____
C. Linear Density (A/B)	_____	_____	_____	_____

Year _____	Reg. Ed.	Special Ed.	Voc. Ed.	# Bus Routes
A. Eligible Pupil Count	_____	_____	_____	_____
B. Round Trip Mileage	_____	_____	_____	_____
C. Linear Density (A/B)	_____	_____	_____	_____

Year _____	Reg. Ed.	Special Ed.	Voc. Ed.	# Bus Routes
A. Eligible Pupil Count	_____	_____	_____	_____
B. Round Trip Mileage	_____	_____	_____	_____
C. Linear Density (A/B)	_____	_____	_____	_____

Year _____	Reg. Ed.	Special Ed.	Voc. Ed.	# Bus Routes
A. Eligible Pupil Count	_____	_____	_____	_____
B. Round Trip Mileage	_____	_____	_____	_____
C. Linear Density (A/B)	_____	_____	_____	_____

Comments:

VI. In what way does the information in this petition establish that the school corporation will be unable to provide transportation services without an increase to its transportation fund maximum levy?

VII. Transportation Appeal Formula

The Department of Local Government Finance uses the following formula in its review of Transportation appeals.

$$(\text{A} - \text{B}) \times (\text{C}) = \text{Potential Levy Increase Allowed}$$

A = % increase in certified budget (1.2 in example below)

(certified 2015 budget / certified 2014 budget = % increase in budget)

NOTE: When calculated, this number must be at least 1.10 to qualify for an appeal.

B = 2016 maximum levy growth factor (2.6% for Pay 2016)

C = 2015 transportation maximum levy (\$100,000 in example below)

Example:

Certified 2015 budget = \$1,200,000

Certified 2014 budget = \$1,000,000

$$1,200,000 / 1,000,000 = 1.20 (\% \text{ increase in budget})$$

$$(1.20 - 1.026) \times (\$100,000) = \text{Levy Increase Allowed}$$

$$(.174) \times (\$100,000) = \text{Levy Increase Allowed}$$

$$(17,400) = \text{Potential Levy Increase Allowed}$$

School Calculation:

- | | |
|---------------------------------------|----------|
| 1. Certified 2015 budget = | \$ _____ |
| 2. Certified 2014 budget = | \$ _____ |
| A. % increase in budget | _____ |
| B. 2016 maximum levy growth factor = | 2.6% |
| C. 2015 transportation maximum levy = | \$ _____ |

$$\text{Line 1} / \text{Line 2} = \text{Line A}$$

$$(\text{Line A} - \text{Line B}) \times \text{Line C} = \text{Potential Levy Increase Allowed}$$

Potential Levy Increase Allowed: \$ _____

VIII. ACCOUNTS TO BE CONSIDERED FOR INCREASED TRANSPORTATION FUND LEVY						
Account Name and Number to be Considered for a Transportation Appeal	Column 1 2010 Actual Expenditures*	Column 2 2011 Actual Expenditures*	Column 3 2012 Actual Expenditures*	Column 4 2013 Actual Expenditures*	Column 5 2014 Actual Expenditures*	Column 6 2015 Estimated Expenditures
25520 Vehicle Operations						
25530 Monitoring Services						
25540 Vehicle Service Maintenance						
25560 Bus Insurance						
25570 Insurance on Pupils						
25580 Contracted Pupil Transp. Service						
25590 Other Pupil Transp. Service						
25591 Bus Driver Training						
26491 PERF						
26492 Social Security						
26493 Workmen's Comp.						
26494 Group Insurance						
26496 Unemployment Comp.						
26497 Teachers' Retirement Fund						
26498 Severance/Early Retirement Pay						
Other						
Other						
Other						
Total Operating Expenses						

***If totals do not agree with your Calendar Financial Report as submitted to the Indiana Department of Education, please provide a detailed explanation.**